

APPENDIX E-396 P

LOW VALUE PROCUREMENT LISTING

1. PURPOSE

This procedure is applicable to chapter 34 and provides instructions for the manual review and processing of the Low Value Procurement Listing (appendix F-168). This listing will be mechanically produced and forwarded to the IM as a result of an item breaching its Reorder Point.

2. APPENDICES USED IN THIS PROCESS

- a. Appendix C-117, Supply Control Worksheet (DLA Form 949).
- b. Appendix E-261 P, Procedures for Preparation of the Supply Control Worksheet (DLA Form 949).
- c. Appendix E-506 P, Procedures for Processing Amendment Actions for Stock and/or Direct Delivery Due-In Records.
- d. Appendix F-168, Low Value Procurement Listing.

3. RESPONSIBLE ORGANIZATIONAL ELEMENT

IMS within DSO.

4. PROCEDURES/INSTRUCTIONS

The receipt of a Low Value Procurement (LVP) Listing indicates that purchase has been initiated automatically and forwarded to the DP&P. Approval by the IM is not required but the IM will review the listing to ensure that this is in agreement with the purchase action.

a. If the IM disagrees with the mechanically generated purchase and desires to increase, decrease, or cancel the purchase, a Procurement Subsystem (Amendment Data Transcript Sheet) (DLA Form 1128 or 1129) will be prepared in accordance with appendix E-506 P. When an ETD is printed on the study, ensure that all actions discussed under Review of Reason for Study Code LL - Logistics Reassignment Loss Action in appendix E-307 P have been considered since it is possible for the RP and LL Reason for Study Codes to be generated in different cycles.

b. If any of the following conditions exists on an item, automatic purchase will not be initiated, but a Standard Supply Control Study (appendix F-167) will be produced with an appropriate Reason for Study Code (appendix A-156). Line 26 of column O will print an appendix A-99 code indicating the specific reason necessitating the review.

(1) Assets exist in Asset Group 5C (SOH - Recommended for Repair - Awaiting IM approval), Asset Group 10 (Unserviceable D/I and SOH - Unscheduled), Asset Group 31B (Approved Recommended Buy - Awaiting

Technical or Fund data) or Asset Group 31C (D/I - Recommendation for Purchase - Awaiting IM review). (When previously furnished Recommended Buy/Repair transactions have been received by the IM, no additional transactions will accompany the SSCS.)

(2) The contracting area requirement is reduced by 50 percent or more due to application of forecasted returns and/or Asset Group 22 (D/I - Returns and Transfers), excluding Type Due-In Codes TD/TP assets identified in AG 11 applied in AGs 28 and 31 for items with Logistics Reassignment (LR).

(3) Item is subject to deterioration.

(4) Tentative due-in restriction code exists.

(5) SSCS Code Low Value is a Y (Yes).

(6) Procurement Grouping Code is recorded (for DPSC - Medical consider only PGCs other than 40001-69999).

(7) SPR or other additive (nonrecurring) requirements with required dates falling within the procurement objective is equal to or greater than one half the recurring requirements for the same time period.

(8) Minimum Procurement Quantity is applicable or buy has been increased to a Minimum System Dollar Buy Value (Table 018, appendix F-261). Items referred to IMs for this reason should be reviewed for possible destockage (changing to SSC 2 or SSC 3).

(9) Item has an OWRMRP.

(10) Date of Last Disposal confirmation was within 60 days of the Study Number (Date).

(11) Whenever the total System Recommended Buy exceeds the dollar values in Management Policy Table 018, appendix F-261, for the following categories:

(a) ICC 1 or P, High, Medium, or Low Value Demand Coded replenishment items are greater than the Automatic Replenishment Dollar Value in Table 018.

(b) ICC 2 or B NSO Dollar Value in Table 018 is equal to or exceeds the total recommended buy dollar value.

(12) Whenever another reason for Study Code (appendix A-156) is generated in the same cycle that a Recommended Buy is generated.

(13) When the NSO quantity field has all zeros for an ICC 2 or B Item or when a Replenishable Demand Item has all zeros in the QFD/New (Age of Item Code N) or QFD/System (Age of Item Code E) fields, an SSCS with Reason for Study Codes RP/MF prints for IM use. The applicable fields on the SSCS will contain asterisks.

(14) Any Buy Item not having a demand within the past 100 days (1 quarter plus 9 days).

(15) Whenever an item has Condition Code L due-in Assets reflected (AG 28).

(16) Whenever an item is designated a future Supply Status Code of 2, 3 or 9.

(17) When the item has forecasted returns and/or Asset Group 22 (DI>Returns and Transfers), excluding AG 11 identified Type Due-In Codes TD_/TP_ assets from AG 22 applied as AGs 28 and 31 for computational purposes for items with Logistics Reassignment (LR).

5. The listing will be retained in accordance with local procedures and retired in accordance with DLA Files Maintenance and Disposition Manual, DLAM 5015.1 at the end of three years.

6. Step-by-step procedures for Validating or computing the individual line and column entries on the LVP Listing are contained in appendix E-261 P (Procedures for Preparation of the Supply Control Worksheet).

7. FLOWCHART

Flowchart not required.